



CALPEEK

CALIFORNIA POLITICAL WEEK

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CAMPAIGN 2002: JONES WILL RUN FOR GOVERNOR.

Editor's note: OK, so he was a week or two late in announcing that he'd run for governor, but now that it's done, CA Secretary of State Bill Jones becomes the first GOPer to announce for any statewide office in 2002. Here's our report, analysis & commentary...

...After being pestered to announce by Demo Calif. Gov. Gray Davis' chief political operative, Garry South, Jones finally did a very low-keyed announcement in Sacramento Mar. 26th. It wasn't anything splashy, such as the usual 4-city fly around that the political news media has become accustomed to. It was just an a.m. news media roundtable with the Capitol Press Corps, followed up with a 4-page fax. And the Republican from Fresno got some good coverage by bashing Davis' handling of the current energy crisis. Nothing new: lots of criticism, no solutions...

...A year ago at this time the odds of Jones even thinking about running for governor were pretty dim, especially after his flip-flop presidential endorsement from George W. Bush to John McCain – a subject which still leaves some Calif. Bush loyalist very POed...

...As SOS since 1995, Jones has received fairly good marks from both Demos and GOPers. Most importantly, he's been tested and vetted by the Calif. GOP and he passes the test. And in terms of a GOP primary, Jones doesn't hide the fact that he's opposed to abortions and is pro-gun – key stands that *conservatives* admire. As one respected GOP consultant not connected with the Jones effort told Calpeek, "Don't short change Jones."...

...No word yet on a campaign staff, but Jones' reliable press secretary Beth Miller has left state payroll to handle the start up operations in Sacto. Savvy GOP consultant Joe Shumate, who has been with Jones in past campaigns, is sitting it out for now and may not even be involved. But there is something Jones needs to do quickly: hire a solid campaign fundraising consultant and put together a good finance team. If there's a weak spot for Jones, it's raising money. Website: www.BillJones.org...

... Thus far Jones is the only GOP candidate to announce, but L.A. businessman Bill Simon Jr. is in the exploratory phase of his possible bid. Simon's campaign HQ in Sacto just announced that L.A. attorney Paul Tosetti and L.A. financial mgr. Stephen Kaplan will serve as co-finance chairs of the exploratory effort. And GOP vet Gene Raper will serve as finance director of the campaign, with Brenda St. Hilaire as deputy finance director. The big question for Simon consultant Sal Russo is: when are you going to introduce your candidate to voters and the news media? As CA Demo spin MD Bob Mulholland notes: "Simon better show up soon or he goes on milk cartons."...

...The only other Republican names to surface are actor Arnold Schwarzenegger and *deep pocketed* Silicon Valley businessman Tim Draper, author of Prop. 38 (school vouchers) in 2000. And one GOP source thinks it will be tough for Jones, Simon or Draper should Arnold S. get into race. Calif. Republicans are starved for a winner and Arnold S., with his *celebrity status*, has the potential to win lots of GOP support. Stay tuned...

ENERGY & POLITICS: UTILITY RATES GO UP AS THE GOVERNOR'S REELECT NUMBER GOES IN THE TANK

Editor's note: Republicans shouldn't be smiling, but they are. Calif.'s current energy mess is nothing but bad news for Demo Gov. Gray Davis and his embattled administration. Here is our analysis & commentary...

... Calpeek sources say Sacto-based Democrats have been polling about the energy crisis and its impact on *Campaign 2002* for several months. In January (1/17/01), sources say a Demo poll showed Davis' reelect number at 45%, with elect someone else at 38%. The newest numbers (3/17/01) show a complete reversal. That's certainly not good news for Davis, but isn't surprising given all the negative headlines of late. Is it fatal? Not yet, but it's not good news...

...As Calpeek is only focused on the *politics* of the energy crisis, and not in the details of what's happening, take a look at the politics *between the lines* of these stories:

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◆ **Estimate of Possible Overcharges for Electricity Rises to \$6.3 billion.** This is not necessarily a bad story for Davis, but it would shock lots of Calif. insiders if the gutless wonders at FERC(Fed. Energy Regulatory Comm.) were to actually do something right and force the *energy suppliers* to refund much of this alleged overcharge. If FERC were to rule in Calif.'s favor, Davis comes out looking much better. But don't bet your first born...

◆ **PUC Votes for 46% Rate Hike** – Another rate hike was inevitable, it was just a question of time. Davis still thinks the hike was unnecessary, but he's almost alone, even in his own administration. And after his PUC chief Loretta Lynch said rates would go up, Davis said he didn't confer with her prior to the PUC's 5-0 decision. Sorry, but that bit of spin doesn't fly. Politically, this particular denial has hurt Davis' credibility with his Demo allies. FYI: The only good thing about this big rate hike is it will be structured to reward those who conserve electricity. Conservation is the key to getting by this summer when the crunch hits. **The big question:** will this huge rate hike cause consumer groups to launch an initiative for the 2002 ballot???

◆ **Republicans Replace Assembly Leader in Bid for New Strength.** Although conservative GOP Assemblyman Bill Campbell of Orange County had been on shaky ground for months (see Calpeek Feb. 19th), at least one GOP insider think Campbell's ouster on Mar. 26th came as a result of the energy crisis. If so, Campbell is the second energy-related casualty in Calif. politics, but he may not be the last. The new GOP Leader is Dave Cox of Sacto...

◆ **Connell's New TV Ads** – CA Controller Kathleen Connell(D) has taken a calculated risk in making energy her key campaign issue in the L.A. Mayor's race. And she takes the gloves off with Gov. Davis by saying he won't get any more money to buy energy unless he agrees to audits. It's a tough line which might or might not sell with L.A. voters. Sources bet Davis' chief political advisor Garry South did a slow burn after seeing the ad. And Connell's new tv ad, with the dig at Davis, hit the air just days after Davis' endorsement of Antonio Villaraigosa. Hummm. Stay tuned...

FULL METAL JACKET: ANOTHER SHOOTING AT A HIGH SCHOOL IN SAN DIEGO AREA, BUT NO DEATHS

Editor's note: First there was Charlie Williams, 15. On Mar. 5th he killed two classmates and wounded 13. Now comes Jason Hoffman, 18, who on Mar. 22nd wounded five fellow students at El Cajon's Granite Hills High School. Again, not much in the way of calls for new gun laws. Here's our brief update & analysis...

...The reason there weren't calls for new guns laws in wake of Mar. 22nd Granite Hills High School shooting is because there are already laws on the books which will send Hoffman away to prison for life. Laws enacted in 1990 and then beefed up in 1994 & 1997, mandate that juveniles who are wards in Juvenile Court (convicted of crimes) may not possess gun, until the age of 30. William was a juvenile ward because he committed assault & battery in 1998 and therefore was prohibited from possessing a gun. News media stories say the two guns used in the shooting came from Hoffman's home...

...In the Hoffman case, the parent(s) had to know of his juvenile court status, thus they are probably in deep trouble. Sources say the NRA will demand that San Diego Co. DA Paul Pfingst file all the relevant gun charges against Williams and those who gave him the guns...

...FYI: For those who may have missed it, the CA Assembly on Mar. 22nd approved AB 22 by Alan Lowenthal(D-Long Beach). The vote was 46-20. This bill bans the sale of guns from a dealer's home. However, gun dealers who reside in counties with 100,000 or less population are exempt and so are dealers who sell antique firearms. One of the reasons this bill was approved was because pro-gun Demo Assemblyman Rod Wright(D-L.A.) was a key supporter. On this bill Wright parted company with the gun lobby. Sources in Lowenthal's office give Wright lots of the credit for passage. Stay tuned...

L.A. MAYOR'S RACE: POLLING DATA PROVIDES A VERY CONFLICTED VIEW OF THE APRIL 10TH RACE.

Editor's note: Calpeek has 3 polls to present in this week's issue. All three polls show L.A. City Attorney Jim Hahn in first place. Who comes in second to make the June 5th runoff? That's the key question. The city primary election is April 10th. Here is our update & analysis...

...All 3 polls were taken around the same time: Mar. 17, 18 & 19 and all among 600 likely voters. The survey taken for Hahn was done by Greenberg Quinlan Research of DC; the survey for former Assemblyman Antonio Villaraigosa was conducted The Mellman Group of DC; and L.A. Councilman Joel Wachs' survey was done by L.A.-based GLS Research...

	<u>Hahn</u>	<u>Villaraigosa</u>	<u>Wachs</u>
Hahn	27%	25%	21%
Villaraigosa	14%	20%	12%
Wachs	20%	13%	13%
Soboroff	13%	12%	11%
Connell	10%	8%	12%
Becerra	4%	5%	5%
Undecided	13%	18%	25%

...Conclusions based on polling & other factors: 1) Wachs obviously loves Hahn's poll, but even his own poll shows little or no upward movement. In other words, Wachs may have peaked; 2) U.S. Rep. Xavier Becerra(D-L.A.) has no chance of making the runoff. Still, as noted in last week's **Calpeek**, Becerra could be a "spoiler," costing Villaraigosa a runoff spot. According to the Wachs survey (the internal data), Becerra's support among Latino voters is 22% vs. 33% for Villaraigosa. Villaraigosa's internal data shows him with 43% vs. 18% for Becerra. Interesting...

...3) Another interesting conflict between the Wachs survey and the Villaraigosa poll concerns Jewish voters. The Wachs poll shows Villaraigosa with 9% vs. Villaraigosa's poll which has him leading all the candidates among Jewish voters with 27%. The Wachs poll shows the councilman leading among Jewish voters with 39%...

...4) With the undecided vote running from a low of 13% to a high to 25% in most polls, the candidate with momentum will be in the best position to make the runoff. As of now that candidate is Villaraigosa. His campaign strategy is to push for a big Latino vote. If the Latino share of the vote is similar to a presidential year, it could be over 20%. On the other hand, if the share is more akin to an historic share of a city election, the turnout will be around 15-17%...

...5) With just a little more than a week to go, only 3 of the Big Six have mega bucks for tv ads: Hahn, Villaraigosa and Connell. And 6) What about Steve Soboroff? He's now a long shot unless the GOP comes through – big time. If it weren't for the Calif. Republican Party, L.A. Republicans wouldn't even know Soboroff was a GOPer...

...FYI: As **Calpeek** hit deadline, KABC-TV released another poll by Survey USA (sample size 1,500 likely voters). This poll shows Villaraigosa and Hahn running neck and neck: Hahn 24% vs. Villaraigosa 23%. The rest: Soboroff 16%; Connell 12%; Wachs 11%; and Becerra 5%. The undecided is 4%, with 3% for others. The undecided seems very low, given what other polls are showing. Stay tuned...

CAMPAIGN 2001: UPDATE ON THE 32nd CD SPECIAL.

Editor's note: Lots of GOTV activity is taking place in the 32nd CD special primary election, which will be held April 10th, the same day as the big L.A. City election. Here's a brief update...

...This special to replace the late Julian Dixon(D-L.A.) is really a battle to see if either L.A. Councilman Nate Holden or CA State Sen. Kevin Murray(D-Culver City) has the right combination of money, endorsements and

ground troops to overtake the frontrunner, former State Sen. Diane Watson(D). According to polling **Calpeek** has seen, Watson still has a comfortable lead on both. There are 16 other people in this special, including deep pocketed financial consultant Philip Lowe and high-powered attorney and radio talk show host Leo Terrell. All of these candidates are Demos. The best known GOPer is businesswoman Noel Irwin Hentschel...

...The latest poll from Watson's campaign is a 2-day track. It's a small sample, but the 3rd day of tracking takes place after **Calpeek** hits the street. The survey was done by Fairbank Maslin Maullin (300 likely voters, Mar. 26 and 27): Watson 39%, Murray 11%, Holden 9%, Lowe 3%, Irwin Hentschel 2%, Terrell 1%, undecided 25% -- and the remaining 10% for other candidates...

...Murray has the bulk of the key endorsements: labor, the CA Demo Party, U.S. Reps. Maxine Waters, Henry Waxman and Howard Berman. Murray's two newest endorsements are from the Sierra Club and the League of Conservation Voters. Those are solid endorsements and play well in the West L.A. and Culver City portions of 32nd CD. If Murray is to beat Watson, this the area he must do well in...

...Watson hasn't run for office since 1994, but still has a huge amount of residual name ID. Her campaign has mailed 4 times thus far and they have been going door to door in the L.A. City portion of the 32nd. Last week she hit 1,800 homes in high turnout precincts. In addition to a ground operation, Watson's team is in the process of doing chase calls to those voters who have requested absentee ballots...

...Holden also has done an absentee voter mailing (+ 3 other mailings) but sources don't think he's as well organized as either Watson or Murray. Can't tell if it's a plus or minus, but L.A. Mayor Richard Riordan, a Republican, has endorsed Holden. That must have frosted Irwin Hentschel, who is Mayor Riordan's neighbor in Bel Air. Stay tuned...

CAMPAIGN 2001: UPDATE ON LOS ANGELES CITY ATTORNEY AND CITY CONTROLLER ELECTIONS.

Editor's note: Unless there's something major which breaks next week, this will be our final update on the April 10th L.A. City Attorney and L.A. City Controller primary elections...

◆ **L.A. City Attorney** – Most insiders continue to see L.A. Councilman Mike Feuer making the June 5th runoff. The big question: who will be Feuer's opponent? Will it be L.A. Co. Deputy DA Lea Purwin D'Agostino or L.A. Deputy Mayor Rocky Delgadillo? Six weeks ago, a Feuer

survey showed the councilman in first, with D'Agostino in 2nd. Low figures, with a huge undecided. But during this time, Feuer has pulled in tons of Demo and organizational endorsements, plus backing from the L.A. Times. From a fundraising point of view, Feuer has maxed out (more than \$990,000) and will have 10 days of tv + 3 million pieces of mail...

...D'Agostino has won almost every law & order endorsement there is to get and she recently won the support of the L.A. Daily News. And she's got that great ballot title. But D'Agostino's key problem is MONEY. Not enough funds to be competitive with Feuer and Delgadillo on tv. Sources say Delgadillo will max out with about \$990,000 in expenditures, making him and Feuer just about even. If money weren't so critical, D'Agostino might have a better shot...

◆ **L.A. City Controller** – L.A. Councilwoman Laura Chick is a slight on favorite to win her battle against S.F. Valley businesswoman Laurette Healey in the April 10th primary. Businessman Mervin Evans is a perennial candidate who doesn't have a shot. Chick has won virtually every major endorsement except for that of Mayor Richard Riordan, who hates Chick and talked the inexperienced Healey into running. Labor, CA Demos, many members of the city council, current Controller Rick Tuttle and both the L.A. Times and L.A. Daily News are siding with Chick. Chick will have a week's worth of tv & cable + slates. Haven't heard much Healey, who is underfunded. But she'll get some help from Mayor Riordan's slate mailing...

...And the L.A. Times hit Healey on Mar. 23rd with a story about her firm owing the State a small amount of back taxes. Not good if you're running a campaign for an office that deals with fiscal matters. And when Chick raised this subject during the Adelphia Cable tv debate, it clearly put Healey on the defensive. Healey had to have been told this was going to happen. Regardless, after the debate ended, she had an *in your face confrontation* with Chick which wasn't pretty. Not too cool Ms. Healey. Stay tuned...

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **More Names for 2002** – Seems that every day we're beginning to hear more names of individuals who want to run Statewide in 2002. On the **Demo** side, add the name of former Insurance Comm. John Garamendi to those who are looking at Secretary of State. Already in the race are former SOS March Fong Eu and the '98 Demo nominee, Michela Alioto... State Sen. Jim Costa (D-Fresno) has taken out

papers for the Bd. of Equalization.... On the **GOP** side, State Sen. Bruce McPherson of Santa Cruz is said to be testing the waters for a Lt. Governor's bid...

■ **Update on 49th AD Special** – In the May 15th special primary election to replace former Assemblywoman Gloria Romero, in addition to Monterey Park Councilwoman Judy Chu (D) and Alhambra Councilman Dan Arguello (D), here are some other names that have surfaced: Rosemead School Bd. member John Tran (D); gubernatorial aide Oscar Gonzalez (D); Alhambra School Bd. member Bob Miranda (D) and Robert Shen, a Goper...

■ **Polanco's Women** – A great title for a "R" rated movie. The latest twist is that when the State Senate Rules committee paid off former Polanco staffer Karri Velasquez to the tune of \$117,200, the impression was that this settlement was a result of alleged sexual advances by Sen. Richard Polanco. Not so. According to an L.A. Times story, Velasquez claimed she was passed over for promotion and discriminated against by --- get this --- a senior Polanco aide, who it turned out was Polanco's former girlfriend (and who had Polanco's out of wedlock son in 1992). FYI: Some Capitol insiders thought that perhaps this Polanco brouhaha might blow over, but that's not the case. Calif. NOW President Helen Grieco has sent a letter to Senate PPT John Burton demanding Burton remove Polanco as State Senate Majority Leader. Stay tuned...

CALPEEK'S NEW JOBS AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook. We've got a ton of them...

● A sad note: John FitzRandolph died Mar. 22nd after a battle with cancer. He was 65 and had been dean of the Whittier Law School. He also served as an executive asst. to former U.S. Sen. John Tunney and was a key member of former Assembly Speaker Bob Moretti's staff. R.I.P...

● The political & govt. affairs firm of Ellis/Hart Associates has dissolved after 12 years. David Ellis has formed Ellis & Associates, 19700 Fairchild Rd., #280, Irvine, CA 92612 ☎ (949)442-1777. Scott Hart has formed Hart & Assoc., 1300 Bristol Street North, #100, Newport Beach, CA 92660 ☎ (949)752-2411...

● Bruce J. Hagel of the Sacto law firm of Olson, Hagel, Waters & Fishburn has been named treasurer of the Superior Calif. chpt. of Easter Seals...